

Agenda Date: May 17, 2006
Item Number: B2

Docket: **TV-041628**
Review of Household Goods Tariff

Staff: Lori Kanz, Regulatory Analyst
Carlene Hughes, Compliance Program Coordinator
Tani Thurston, Regulatory Analyst
Leon Macomber, MCLE Special Investigator
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Recommendation

Issue an order that cancels WUTC Household Goods Tariff 15-A and adopts Tariff 15-B, effective June 1, 2006.

Background/Process

RCW 81.80.150 assigns responsibilities to the commission relating to tariffs applying on transportation of property (household goods) in intrastate commerce. Among these duties are:

- Compiling tariffs containing rates, charges, classifications, rules, and regulations to be used by all common carriers;
- Selling and distributing copies of the compiled tariffs;
- Amending and altering compiled tariffs after notice and hearing, by issuing and distributing revised pages or supplements to the tariffs; and
- Reissuing tariffs when appropriate.

The commission issued its household goods tariff, Tariff 15-A, replacing and canceling Tariff 15, effective February 1, 2000. Since then, industry representatives and staff have identified items in the tariff that need corrections, clarifying language, or deletions to ensure that the tariff effectively serves its intended purpose.

On April 8, 2005, a notice of opportunity to submit written comments and notice of workshop in Docket No. TV-041628 was sent to household goods carriers and other interested persons. The notice included a Tariff Review Issues Paper, drafted by commission staff, which contained a series of issues and proposals to be discussed at the workshop.

On May 26, 2005, the commission held a stakeholder workshop to discuss written comments received, the issues paper and to gather additional comments and input. Representatives of the household goods moving industry, independent movers and Office of State Procurement attended the workshop. Commission staff appreciates their participation in this process.

Following the workshop, commission staff redrafted the issues paper to reflect stakeholder input from the workshop and written comments received. A final issues paper with suggested tariff changes was sent to stakeholders on March 22, 2006, with comments due by April 3, 2006. The commission received one comment regarding flexibility in the pricing of packing materials.

Commission staff believes that changing rates and pricing are outside the scope of this review. Jordan River's comments will be considered in the upcoming household goods rate rulemaking.

WAC 480-15-490 (2)(b)(ii) requires the commission to adjust the maximum rates and charges in Tariff 15-A each June 1, through 2005, by an index calculated using the first quarter Implicit Price Deflator (IPD) of the Gross Domestic Product. On June 1, 2005, in Docket TV-050683, the final increase of 2.87 percent became effective as Rate Increase Supplement No. 2005-6.

Proposed Tariff 15-B imbeds the 2.87 percent increase from Docket TV-050683 in the rates and clarifies or corrects tariff items identified by industry representatives and commission staff as confusing or incorrect.

A copy of the proposed tariff is attached as Appendix A.

Recommendation

Issue an order that cancels WUTC Household Goods Tariff 15-A and adopts Tariff 15-B, effective June 1, 2006.

Attachment